

REDUCING COSTS IN NPP CONSTRUCTION AND OPERATION (RLA/4/016) A1 New

MODEL PROJECT

CORE FINANCING

YEAR	Experts		Group Activity	Equipment	Fellowships		Scientific Visits		Group Training	Sub-Contracts	Misc. Comp.	TOTAL
	m/d	US \$	US \$	US \$	m/d	US \$	m/d	US \$	US \$	US \$	US \$	US \$
1999	0/0	0	165,000	0	0/0	0	0/0	0	0	0	0	165,000
2000	0/0	0	150,000	0	0/0	0	0/0	0	0	0	0	150,000
2001	0/0	0	205,000	0	0/0	0	0/0	0	0	0	0	205,000
2002	0/0	0	185,000	0	0/0	0	0/0	0	0	0	0	185,000
2003	0/0	0	145,000	0	0/0	0	0/0	0	0	0	0	145,000

First Year Approved: 1999

OBJECTIVES: To share experience in areas in which some of the participating organizations are more developed than others, as well as in the areas in which joint development by the participating organizations is recommended.

BACKGROUND: Political and economic changes in the Latin American countries which are operating/constructing NPPs (Argentina, Brazil, Cuba and Mexico) are increasingly compelling the utilities to ensure that the operational costs of those plants are competitive with alternative electricity production costs, while maintaining the nuclear industry's standards of operational safety and environment protection and, at the same time, promoting public acceptance of nuclear energy. Consequently, the participating utilities continuously need to reduce their operating costs, while keeping the construction and operation of their generating units, as well as their supporting facilities, at the high standards of safety and reliability established by the nuclear industry worldwide.

PROJECT PLAN: The sharing of resources among the participating organizations will be promoted by a series of executive and specialist meetings, to be scheduled 1999-2003. During the meetings, the representatives of the participating organizations will agree upon, schedule and promote technical assistance activities through visits by their specialists and the sharing of their resources, facilities, services and technical information.

NATIONAL COMMITMENT: Additional costs which may result from these activities will be absorbed by the participating organizations which benefit from the equipment or services provided, the value of which is estimated at one million dollars a year. Argentina, Brazil, Cuba and Mexico will participate in the project.

AGENCY INPUT: Support of the specialist meetings on issues of mutual interest, and on solving concrete problems related to NPPs operation.

PROJECT IMPACT: The project is expected to increase the capability of the participating organizations in the areas in which technical co-operation is feasible and also to produce a twofold socio-economic impact: to contribute to the economic development of the participant countries by lowering the production costs of electrical energy from NPPs; and to contribute to public safety by enhancing safety practices in nuclear installations. Nuclear power should remain a viable alternative for energy development in Latin America. A 5-10% reduction in NPP operational costs is expected as a result of the exchange of experience through meetings, technical visits, and expert missions; as well as an average five-day reduction in refueling outage periods, through sharing personnel and equipment. A 5% reduction in costs associated with the procurement of equipment, tools and replacement parts is expected to be achieved.